



10 Questions for Mitt Romney on Poverty and Opportunity in America

Melissa Boteach August 2012

Presumptive Republican presidential nominee and former Massachusetts Gov. Mitt Romney made headlines earlier this year by stating, “I’m not concerned about the very poor. We have a safety net there. If it needs repair, I’ll fix it.”¹

But since that time, he’s been close-lipped about his actual plans to help struggling Americans and to repair the safety net.

We can infer some of his proposals by his support for the House Republican budget plan introduced this spring by Rep. Paul Ryan (R-WI), as well as his own broad tax and budget plans.² By endorsing the House Republican budget, for example, Gov. Romney has aligned himself with an agenda that will:

- Cause 31 million people—predominantly children, seniors, people with disabilities, and the working poor—to lose access to health insurance through Medicaid cuts over the next 10 years³
- Kick 8 million to 10 million people off of the Supplemental Nutrition Assistance Program; set nutrition aid (currently averaging \$1.50 per person per meal) below what the Department of Agriculture considers minimally adequate; or some combination of these two outcomes over the next 10 years⁴
- Kick 191,000 children off of Head Start—a federally funded child development program for children in low-income families—in the next two years⁵

Gov. Romney’s jobs plan also reflects traditional conservative solutions that have failed to spur employment growth in the past: cutting taxes for the wealthiest Americans, undermining unions, slashing spending, and rolling back regulations that protect workers and the environment.⁶

But Gov. Romney has not been pressed on policies to connect low-income and long-term unemployed workers to job opportunities or on how he plans to improve job quality for the millions of Americans who have seen their wages flatten or decline, their

benefits disappear, and their ability to balance work and family consistently undermined by rigid workplace rules.

Here are 10 questions for Gov. Romney on taxes, spending, and jobs that would help clarify his positions on important issues for Americans aiming to join the middle class.

Taxes and spending

- 1 Does he support tax fairness?** We know Gov. Romney's tax plan would funnel additional tax cuts to millionaires through lower marginal rates, which he claims would be offset in part by "broadening the base."⁷ He has been silent, however, on how he would accomplish this "base broadening" and how it would affect tax credits that help make work pay for low-wage working families, including the earned income tax credit and refundable child tax credit. Does Gov. Romney support the earned income tax credit and child tax credit? Does he support the expansions made to these credits since 2009 that have kept an additional 1.6 million people in working families out of poverty? Would cuts to these programs be on the table as a way to pay for his tax cuts for wealthy households?
- 2 Does he want to cut Head Start?** Gov. Romney's proposed federal spending cap of 20 percent of GDP would certainly yield deep cuts to programs in the discretionary part of the budget, which houses most human-needs and opportunity programs for struggling households.⁸ But he has failed to name which programs he would cut to meet this target. Does he agree with cutting Head Start? Nutrition assistance through the Special Supplemental Nutrition Program for Women, Infants and Children? Child care? Which programs would he eliminate, and which would he protect?
- 3 Does he support federalism and flexibility for state governments on social safety net programs?** Congressional Republicans have proposed eliminating categorical eligibility in the Supplemental Nutrition Assistance Program. This policy gives states greater flexibility to coordinate supplemental nutrition assistance with other programs such as free and reduced school lunches, and to allow poor families receiving nutrition aid to set aside a small amount of savings to avoid sliding back into poverty.

Gov. Romney has come out in favor of greater flexibility for states when it comes to block-granting and cutting programs such as the Supplemental Nutrition Assistance Program and Medicaid. Does he support continuing the categorical eligibility policy of allowing states greater flexibility in administering their supplemental nutrition assistance?

4 Should children, seniors, or people with disabilities be cut from Medicaid? While he was governor of Massachusetts, Mitt Romney personally negotiated for more Medicaid funding from the federal government to make his state health reform plan work. As a presidential candidate, however, he has proposed to block-grant Medicaid, which would result in more than \$800 billion in cuts over the next 10 years, shifting more costs to states at a time when state budgets are already squeezed.⁹ These cuts would primarily fall on:¹⁰

- Poor children, who account for nearly half of Medicaid enrollment but only about 20 percent of current Medicaid costs
- People with disabilities, who account for 16 percent of enrollment but about 45 percent of costs
- Seniors, who account for 9 percent of enrollment but 21 percent of costs

Putting himself in the shoes of a governor with less Medicaid funding, under a Romney administration how does Gov. Romney propose these cuts go into effect—who should lose their Medicaid, or what benefits should be cut from these populations? What guidelines would he provide as president? How would his health care plan in Massachusetts work if he hadn't negotiated for more Medicaid funding from the federal government? What about the faith-based institutions that rely on Medicaid to provide care, particularly nursing homes? How will faith communities pick up the slack from government retrenchment if their main source of funding—Medicaid—is cut?

5 Does he want to cut programs for kids? Earlier this year the House approved a reconciliation bill per the instructions of the Gov. Romney-endorsed Ryan budget. The bill made cuts to “lower-priority” programs to avert automatic across-the-board cuts scheduled for January 2013 as a result of last summer’s debt deal. The impact of these cuts on children is detailed in the following infographic released earlier this year by the Center for American Progress:

House Republican Cuts for Kids — by the numbers

The number of children affected by federal programs cut for upside-down priorities

Free lunch and breakfast for 
280,000
low-income children

Supplemental Nutrition Assistance Program: reduce or eliminated benefits for about
22 MILLION
children

Tax credits for the working families of
5.5 MILLION
low-income children


Child care for
4 MILLION
children in
35 states


Child protective services for
1.7 MILLION
children in 41 states

Child abuse prevention and intervention for 640,000 children in 30 states

Foster care for
451,000
children in 36 states


Sources: Congressional Budget Office, "Agriculture Reconciliation Act of 2012," available at <http://www.cbo.gov/sites/default/files/cbofiles/attachments/HouseAgricultureReconciliation.pdf>; Stacey Dean and Dottie Rosenbaum, "House Agriculture Committee Proposal Would Cut 2 Million Off Food Stamps, Reduce Benefits for More Than 44 Million Others" (Washington: Center on Budget and Policy Priorities, 2012), available at <http://www.cbpp.org/cms/index.cfm?fa=view&id=3749>. (46 million Americans will see their SNAP benefits cut and children are 48 percent of SNAP beneficiaries.); "House Budget Forces Deeper Cuts to Child Tax Credit, Child Care, and Child Welfare," available at <http://www.firstfocus.net/sites/default/files/Reconciliation%20WM.pdf>; Social Services Block Grant Program Annual Report 2009 (U.S. Department of Health and Human Services, 2009), available at <http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html> with analysis from First Focus: <http://www.firstfocus.net/sites/default/files/Reconciliation%20WM.pdf>.

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Does Gov. Romney support these cuts?

- 6 Does he favor raising the minimum wage?** As recently as January, Gov. Romney has come out in favor of raising the minimum wage by indexing it to inflation, but he recanted two months later, saying that he didn't think it was a good time to raise the minimum wage, which would stand at \$10.55 an hour if it had been indexed to inflation in 1968.¹¹ Does Gov. Romney support increasing the minimum wage and allowing it to rise with inflation or another index? And if now is not a good time to raise the minimum wage, what would be the conditions under which Gov. Romney could support such an increase?
- 7 Does he support a work-family balance?** Women are now half of all workers on U.S. payrolls and are either breadwinners or co-breadwinners in nearly two-thirds of all families.¹² Yet the United States also faces high rates of work-family conflict with few laws to support working families.¹³ In fact, the United States is the only industrialized nation that has no federal policy supporting paid maternity leave.¹⁴ If elected, would Gov. Romney support efforts to encourage earned paid parental leave?
- 8 Does he want workers to have paid sick days?** Forty percent of private-sector workers and 80 percent of low-wage workers do not have a single paid sick day to recover from a short-term illness or to provide care for their loved ones.¹⁵ Paid sick days legislation would enable workers to accrue paid sick leave and would include provisions to help employers manage. It also makes economic sense, as it costs businesses more in lost worker productivity to have sick employees come in than it would cost to offer paid time off in the first place.¹⁶ Does Gov. Romney support paid sick days legislation?
- 9 Does he support subsidized employment?** As part of the American Recovery and Reinvestment Act of 2009, states were given funding to create subsidized jobs programs that moved many low-income Americans from welfare to work. In fact, Democratic and Republican governors alike praised the program, which allowed nearly 40 states to create more than 260,000 job opportunities for low-income and long-term unemployed workers by partnering with small business and the nonprofit sector.¹⁷ Unfortunately the bipartisan program was allowed to expire in September 2010. Would Gov. Romney support state efforts to create subsidized jobs programs through federal incentives?
- 10 Does he support extending unemployment insurance?** Emergency unemployment compensation for workers out of a job for more than six months is set to expire at the end of the year, which means that workers laid off after July 1, 2012, would be cut off around Christmas without additional help if they have yet to find a job.¹⁸ Currently, more than 40 percent of unemployed workers have been out of job for six months or longer, and federal benefits have never been allowed to expire while the unemployment rate was more than 7.2 percent¹⁹ Moreover, unemployment insurance benefits have helped

sustain 1.6 million jobs per quarter from mid-2008 to mid-2010 by increasing demand in the economy.²⁰ Would a President Romney sign an extension of federal unemployment benefits into law?

Conclusion

After the media pressured Gov. Romney about his “not concerned about the very poor” remarks, he backtracked, stating:

*My focus, my primary focus, is on helping people get in the middle class and grow the middle class. That we have a safety net that cares for the poor, I want to keep that safety net strong and able. The wealthy are doing just fine.*²¹

The media now has a unique opportunity to urge Gov. Romney to get specific about his actual plans to strengthen the safety net and how he intends to provide a pathway into the middle class. The aforementioned questions could serve as a guide to urge him to clarify how his tax, spending, and jobs plans will actually affect the low- and middle-income families he insists are his “primary focus.”

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Endnotes

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- 2 Alexander Burns, "Romney endorses Ryan budget," *Politico*, March 20, 2012, available at <http://www.politico.com/blogs/burns-haberman/2012/03/romney-endorses-ryan-budget-118079.html>.
- 3 Edwin Park and Matt Broaddus, "Ryan Medicaid Block Grant Would Cut Medicaid by One-Third by 2022 and More After That" (Washington: Center on Budget and Policy Priorities, 2012), available at <http://www.cbpp.org/cms/index.cfm?fa=view&id=3727>.
- 4 Dottie Rosenbaum, "Ryan Budget Would Slash SNAP Funding by \$134 Billion Over Ten Years" (Washington: Center on Budget and Policy Priorities, 2012), available at <http://www.cbpp.org/cms/index.cfm?fa=view&id=3717>.
- 5 National Education Association calculations from U.S. Department of Health and Human Services budget data based on an analysis from the Office of Management and Budget. According to the analysis, the House budget resolution would cut annual nondefense discretionary funding by 5.4 percent in fiscal year 2013 and by 19 percent in fiscal year 2014 (in current dollars). As is their nature, budget resolutions do not specify funding levels for individual programs, which is the province of appropriators. Budget resolutions instead set overall revenue and spending limits and make assumptions as to how those limits will be met. As a result, the National Education Association assumes the proposed cuts identified by the Office of Management and Budget are distributed equally across all nondefense discretionary programs. The proposed cuts in each year are applied to fiscal year 2012 enacted funding levels to illustrate their impact.
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- 9 "Health Care: Repeal and Replace Obamacare," available at <http://www.mittromney.com/issues/health-care> (last accessed July 2012); Park and Broaddus, "Ryan Medicaid Block Grant Would Cut Medicaid by One-Third by 2022 and More After That."
- 10 "Policy Basics: Introduction to Medicaid," available at <http://www.cbpp.org/cms/index.cfm?fa=view&id=2223> (last accessed July 2012).
- 11 Dave Jamieson, "Romney Waffles on Minimum Wage," *The Huffington Post*, March 8, 2012, available at http://www.huffingtonpost.com/2012/03/07/romney-minimum-wage_n_1327893.html.
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- 13 Heather Boushey and Joan C. Williams, "The Three Faces of Work-Family Conflict" (Washington: Center for American Progress, 2010), available at http://www.americanprogress.org/issues/2010/01/three_faces_report.html.
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